



8th African Agribusiness and Science week (AASW 8)

Side event

Boosting intra-Africa trade: the agricultural midstream in the value chain

6th June 2023, 16:30-18:30 SAST

Durban, South Africa

1. Context

Intra-Africa trade has long been recognized as a crucial driver of economic growth and development for the continent. However, despite several initiatives and commitments made by African governments and regional economic communities to enhance intra-Africa trade, it still remains low compared to other regions. One sector that has the potential to drive intra-Africa trade is the agricultural midstream in the value chain which can enhance intra-Africa trade.

The agricultural midstream refers to the stages of production and distribution between farming and the final sale of agricultural products to consumers. It includes processing, storage, and transportation of agricultural products. It is the link between the primary production of crops and the final stage of consumption. The agricultural midstream is a critical stage in the value chain as it adds value to agricultural products, improves their quality, and makes them marketable. The midstream also plays a crucial role in reducing post-harvest losses, which can be as high as 30% in Africa.

Intra-Africa trade in agricultural products is hindered by several challenges, including poor infrastructure, high transportation costs, and low productivity. However, the agricultural midstream can help overcome these challenges. For example, investing in modern storage facilities can help reduce post-harvest losses and ensure the quality of agricultural products. Improved food safety can guarantee better markets while improving health. Improved transportation infrastructure can also reduce transportation costs and increase the speed at which agricultural products are transported, making them more competitive in the market.

Furthermore, the agricultural midstream can help promote regional value chains, which can drive intra-Africa trade. Regional value chains involve the integration of different stages of the value chain across different countries in the region. Regional value chains promote intra-Africa trade by creating a market for agricultural products within the region, which can drive economic growth and development.

Investing in the agricultural midstream also creates employment opportunities and promotes inclusive growth. The midstream is a labor-intensive sector, and investing in it can create jobs for both skilled and unskilled labor. This can help reduce poverty and promote inclusive growth, which is critical for the sustainable development of the continent.

To achieve this, African governments and regional economic communities must invest in modern storage facilities, transportation infrastructure, and value-addition activities. They must also promote regional integration and cooperation to create a conducive environment for regional value chains to thrive. By doing so, Africa can unlock the potential of its agricultural sector and drive economic growth and development.

2. Some innovations in the agricultural midstream

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In recent years, several innovations have emerged in the agricultural midstream in Africa, which are helping to overcome some challenges and drive the sector forward.

In many parts of Africa, access to reliable electricity is limited, which makes it challenging to store perishable agricultural products. Solar-powered cold storage facilities have emerged as an innovative solution to this problem. These facilities use solar panels to generate electricity, which is used to power refrigeration units that keep agricultural products fresh. This technology has enabled farmers and traders to store their products for longer periods, reducing post-harvest losses and increasing their income.

Processing and value addition activities have emerged as a critical innovation in the agricultural midstream in Africa. These activities involve transforming raw agricultural products into finished products. By adding value to their products, farmers and traders can increase their income and create more employment opportunities in the sector.

Precision agriculture: Precision agriculture refers to the use of technology to optimize the use of resources in agriculture. It involves the use of sensors, GPS mapping, and drones to monitor crops, soil moisture, and weather patterns, enabling farmers to make data-driven decisions to improve productivity.

Mobile-based supply chain management systems use mobile technology to track the movement of agricultural products from the farm gate to the end consumer. They provide real-time data on inventory levels, transportation routes, and market demand, enabling farmers and traders to make informed decisions about when and where to sell their products.

Cold chain technology: The cold chain technology involves the use of refrigeration systems to preserve the quality and freshness of agricultural products during storage and transportation. This technology is crucial in reducing post-harvest losses and increasing the shelf life of perishable goods.

Smart logistics: Smart logistics refers to the use of technology to optimize the transport and distribution of agricultural products. This technology enables real-time monitoring of delivery routes, temperature, humidity, and other factors that affect the quality and safety of agricultural products.

By using smart logistics, farmers and traders can transport their products more efficiently, making them more competitive in the market.

Vertical farming: Vertical farming involves the use of vertical shelves or towers to grow crops in a controlled environment. This technology allows for year-round cultivation of crops, and its efficient use of space and water make it a sustainable alternative to traditional farming.

Agricultural biotechnology: Agricultural biotechnology involves the use of genetically modified organisms (GMOs) to improve crop yields, reduce the use of pesticides and herbicides, and enhance the nutritional content of crops.

Access to finance is a significant challenge for farmers and traders in Africa. Digital financial services, such as mobile money, have emerged as an innovative solution to this problem. These services enable farmers and traders to access credit and other financial services using their mobile phones, making it easier for them to invest in their businesses and expand their operations.

Overall, these innovations in the agricultural midstream can help to increase efficiency, reduce waste, and improve the quality and safety of agricultural products, which ultimately benefits farmers, consumers, and the environment.

In conclusion, innovations in the agricultural midstream in Africa are helping to overcome the challenges faced by the sector, such as poor infrastructure, low productivity, and limited access to financing. By investing in these innovations, African governments and development partners can unlock the potential of the agricultural midstream and promote economic growth and development on the continent.

3. The 8th African Agribusiness and Science Week (AASW8)

The AASW is the main continental platform to share progress and information, network, create business alliances, and map out priorities for joint action. The [8th AASW](#) focuses on strengthening linkages between agribusiness and science plus innovation to improve the continent's productivity and competitiveness in agro-industry. It will be held in Durban, South Africa, from 5 to 7 June.

On **Tuesday 6 June, 16:30-18:30 SAST**, FARA, IFAD and the COLEAD are convening to host a side event on ***Boosting intra-Africa trade: the agricultural midstream in the value chain***. The side event will feature two inspiring African entrepreneurs sharing their innovations and a panel of experts who will present prospects for value chains transformation on the food industry in Africa.

Online participants have to register using this link: https://coleacp-org.zoom.us/webinar/register/WN_oAwTykeIQDuiCPA2Hr0Vrg#/registration

Registrations are also required for on-site participation: <https://aasw.faraafrica.org/product/participant-registration/>



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Programme:

Moderation: Isolina Boto, Head of Networks and Alliances, COLEAD

16:00-16:10 **Introduction**

16:00-16:50 **Impacts of the midstream of value chains transformation on the food industry: prospects for Africa**

- *Thomas Reardon, Professor, Michigan University*
- *Sara Savastano, Director of IFAD's Research and Impact Assessment Division*

16:50-17:10 **Innovations from operators in the value chain**

- *Jane Maina, Managing Director, Vert Ltd, Kenya*
- *Affiong Williams, Founder & CEO, Reelfruit, Nigeria*
- *Fannie Gondwe, Executive Director, Perisha Agro and Packaging Enterprise, Malawi*
- *David Foli Ayivor, Founder & CEO, Agromyx, Ghana*

15:10-15:50 **Q&A session**

15:50-16:00 **Conclusion and way forward**

Rapporteur: Axelle Rupert, Project Manager, COLEAD



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